



Department of Justice

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**NORTHEAST FAX PAPER IMPORTER CHARGED IN JUSTICE DEPARTMENT'S
INVESTIGATION OF INTERNATIONAL PRICE FIXING**

WASHINGTON, D.C. -- A New York based importer of fax paper produced in Japan was charged today in U.S. District Court in Boston for participating in a price fixing conspiracy that caused a 10 percent increase in the cost of thermal fax paper to U.S. customers, according to the Department of Justice's Antitrust Division. This is the second case in the Department's ongoing investigation of international price fixing in the thermal fax paper industry.

Thermal fax paper is used primarily by small businesses and home fax machine owners who depend on low prices for office products.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "The Justice Department will continue to prosecute international price fixing conspiracies that rip off American consumers. This case pits the interests of large, international firms against the rights of domestic consumers and small businesses to fair, competitive pricing."

The court papers charged Elof Hansson Paper & Board Inc., based in New York City, with conspiring with others to fix and raise the price of thermal fax paper sold in the United States from August 1991 through March 1992.

Similar charges were brought last summer against Kanzaki Specialty Papers of Ware, Massachusetts, its former president, Kazuhiko Watanabe, Mitsubishi International Corporation of New York, and Mitsubishi Corporation of Tokyo, Japan. These defendants pleaded guilty and paid fines totalling approximately \$6.5 million.

Elof Hansson Paper & Board Inc. is a wholly owned subsidiary of Elof Hansson AB of Goettberg, Sweden. In 1991, it imported approximately \$5 million of thermal fax paper manufactured by the Oji Paper Co. Ltd. of Japan. The information charged that representatives of the New York subsidiary had meetings and telephone contacts with competitors in order to facilitate the price fixing conspiracy.

The maximum penalty for a corporation convicted under the Sherman Act is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greater.

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